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Ukraine

Livestock and Products

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Report Highlights:

2003 was a disastrous year for Ukraine's livestock sector. An icy winter and dry spring resulted in a significant feed shortage. Cattle and swine inventories have been drastically reduced. Ukraine's meat exports surged in recent months, but this trend promises to be short-lived. In 2004, both meat exports and domestic meat consumption are anticipated to decline significantly. This should provide good opportunity for U.S. meat exports to Russia – Ukraine's principle export market.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Kiev [UP1]
[UP]

Executive Summary

For the past two years, exports of Ukrainian livestock products were on the rise. This trend was not the result of an overall production increase but rather the consequence of a reduction in livestock numbers as feed prices spiked. It is expected that growth in Ukraine's meat exports will dip sharply as export volumes decline in 2004.

Recent Developments and Prospects for 2004

Weather conditions in Ukraine were extremely harsh throughout 2003. A thick ice crust during winter left agricultural producers with a very limited supply of feed grain. A hot and dry spring resulted in relatively bad yields for forage crops. Corn is the only feed crop harvested in 2003 that is in abundant supply in Ukraine; but it is expensive and cannot fully offset the current feed shortage.

Due to a relatively inefficient beef and dairy sector, Ukraine cannot afford to import feed grains. Consequently, the only viable option for farmers in 2003 was to significantly reduce cattle numbers. This resulted in a large increase in the supply of red meat followed by a noticeable jump in exports in late 2003.

The most significant livestock inventory contraction was registered in November and December. Inventories traditionally drop during these two months, however, the decline in 2003 was especially steep. As of January 1, 2004, cattle and swine numbers declined 13.4% and 18.8%, respectively, over the previous year. These reduced inventories will result in a significantly lower slaughter and lower export prospects for 2004, as reflected in the updated PSD tables.

Cattle and swine in Ukraine are kept by both large former Collective Agricultural Enterprises (CAE) and by private households. The latter are responsible for almost 75% of cattle and 65% of all hogs. In prior years, household farmers were reluctant to reduce cattle inventories. Under recent conditions, however, private households have begun to slaughter their animals, albeit at a slower pace than the former CAEs. This points to the seriousness of the current problems faced by the Ukrainian livestock sector.

The domestic market has reacted quickly to the anticipated meat shortage. Prices have begun to rise for both pork and beef. This completely reverses the trend observed in the first six months of 2003 when meat prices took a dip. Price growth should continue through the first half of 2004.

Price hikes are not expected to have a significant impact on domestic meat consumption. Consequently, large export volumes cannot be sustained in 2004. It is anticipated that Ukraine will stop exporting pork to Russia this year and will significantly reduce beef exports to this market as well. Good opportunity could exist for increased U.S. meat exports to Russia this year.

Statistical Tables

Livestock Inventories by Type of Farm in Ukraine in 2003-2004, (1000 head)

	As of January 1, 2003	As of January 1, 2004	2003 as % of 2002
Cattle, Total	9108.4	7886.3	86.6%
Including Cows	4715.6	4329.9	91.8%
Cattle Held by Private Households	4914.6	4722.1	96.1%
Including Cows	3313.8	3229.6	97.5%
Cattle Held by Former Collective Farms	4193.0	3164.2	75.5%
Including Cows	1401.0	1100.3	78.5%
Bovine, Total	9203.7	7469.3	81.2%
Bovine Held by Private Households	5812.9	5205.8	89.6%
Bovine Held by Former Collective Farms	3390.8	2263.5	66.8%

Data Source: State Statistics Committee of Ukraine

Ukraine Beef and Veal PSD Table, 1000 MT CWE, 1000 HEAD

Country

Ukraine

Commodity

Meat, Beef and Veal

	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01.2002		01.2003		01.2004
Slaughter (Reference)	4795	4795	4700	5515	4680	4650
Beginning Stocks	25	25	15	15	15	15
Production	704	704	680	775	650	665
Intra EC Imports	0	0	0	0	0	0
Total Imports	3	3	5	0	5	5
TOTAL Imports	3	3	5	0	5	5
TOTAL SUPPLY	732	732	700	790	670	685
Intra EC Exports	0	0	0	0	0	0
Total Exports	146	146	150	172	155	140
TOTAL Exports	146	146	150	172	155	140
Human Dom. Consumption	571	571	535	603	500	530
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	571	571	535	603	500	530
Ending Stocks	15	15	15	15	15	15
TOTAL DISTRIBUTION	732	732	700	790	670	685
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Ukraine Cattle PSD Table, 1000 HEAD

Country Ukraine

Commodity	Animal Numbers, Cattle					
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01.2002		01.2003		01.2004
Total Cattle Beg. Stks	9433	9433	9108	9108	8700	7886
Dairy Cows Beg. Stks	4855	4855	4700	4700	4500	4330
Beef Cows Beg. Stocks	63	63	60	60	55	53
Production (Calf Crop)	4679	4679	4480	4480	4320	4160
Intra EC Imports	0	0	0	0	0	0
Total Imports	0	0	3	3	0	4
TOTAL Imports	0	0	3	3	0	4
TOTAL SUPPLY	14112	14112	13591	13591	13020	12050
Intra EC Exports	0	0	0	0	0	0
Total Exports	10	10	20	18	10	10
TOTAL Exports	10	10	20	18	10	10
Cow Slaughter	0	0	0	0	0	0
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	4795	4795	4700	5515	4680	4650
Total Slaughter	4795	4795	4700	5515	4680	4650
Loss	199	199	171	172	130	130
Ending Inventories	9108	9108	8700	7886	8200	7260
TOTAL DISTRIBUTION	14112	14112	13591	13591	13020	12050
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Frozen Beef (HS0201) Export from Ukraine for 2000-2003, MT

Country	2000	2001	2002	January- November 2003
Azerbaijan	21	0	18	211
Bulgaria	83	0	0	0
Belarus	25	0	9	18
Georgia	15	0	0	0
Lebanon	41	0	0	0
Netherlands	77	0	0	0
Russian Federation	134972	90064	130558	134714
Turkmenistan	1100	0	0	0
Macedonia	74	0	54	0
United States	0	0	0	0
Yugoslavia	18	0	0	0
Others not listed	28	18	20	20
Grand Total	136453	90082	130659	134963

Data Source: State Statistics Committee of Ukraine

Fresh or Chilled Beef (HS0201) Export from Ukraine for 2000-2003, MT

Country	2000	2001	2002	January-November 2003
Bulgaria	0	0	0	11
Malta	1	0	0	0
Russian Federation	1	0	595	193
Turkey	1	2	1	
United States	0	0	0	0
Others not listed	0	0	0	0
Grand Total	2	2	596	204

Data Source: State Statistics Committee of Ukraine

Processed Beef Products (HS16025) Export from Ukraine for 2000-2003, MT

Country	2000	2001	2002	January-November 2003
Azerbaijan	0	0	236	150
Belarus	26	0	0	0
Georgia	0	0	0	15
Iraq	0	0	0	39
Kazakhstan	0	0	0	95
Republic of Moldova	0	7	0	12
Russian Federation	4957	297	901	961
Tajikistan	0	0	50	4
Turkmenistan	315	0	0	234
United States	0	0	1	1
Others not listed	1	3	0	3
Grand Total	5299	307	1188	1514

Data Source: State Statistics Committee of Ukraine

Frozen Beef (HS0201) Import for 2000-2003, MT

Country	2000	2001	2002	January-November 2003
Argentina	18	0	0	0
Australia	0	16	0	0
Austria	217	20	0	0
Denmark	20	0	0	0
Georgia	0	0	20	0
Germany	434	0	0	0
Hungary	0	0	20	245
Indonesia	0	0	0	0
Poland	141	928	234	0
Russian Federation	712	451	81	39
Spain	60	20	0	0
United States	7	5	3	4
Grand Total	1609	1440	358	288

Data Source: State Statistics Committee of Ukraine

Processed Beef Products (HS16025) Export from Ukraine for 2000-2003, MT

Country	2000	2001	2002	January- November 2003
Belarus	0			
Canada	6			
China			0	
Czech Republic	0			
Denmark	0		0	
Estonia	3		17	
Germany	0			
Hungary	0	4		
Italy	9		0	
Republic of Moldova	40	0	0	
Russian Federation	125	146	1266	641
United Kingdom	0			
United States	7			
Grand Total	190	151	1283	641

Data Source: State Statistics Committee of Ukraine

Cattle Export Trade Matrix

Country Ukraine

Commodity Animal Numbers, Cattle

Time Period		Units:	
Exports for:	2002		2003*
U.S.		U.S.	
Others		Others	
Georgia	25	Georgia	24
Kazakhstan	0	Kazakhstan	7
Jordan	10253	Jordan	5689
Lebanon	0	Lebanon	9120
Syrian Arab Republic	0	Syrian Arab Republic	2098
Egypt	0	Egypt	0
Uzbekistan	215	Uzbekistan	0
Total for Others	10493		16938
Others not Listed			
Grand Total	10493		16938

Data Source: State Statistics Committee of Ukraine

*Preliminary Data

There were no imports of cattle into Ukraine.

Average Monthly Beef Retail Prices in Ukraine

Country Ukraine

Commodity Meat, Beef and Veal

Prices in UAH per uom 1 kilogram

Year	2002	2003	% Change
Jan	12.83	10.83	-16%
Feb	12.61	10.69	-15%
Mar	12.51	10.57	-16%
Apr	12.39	10.50	-15%
May	12.30	10.53	-14%
Jun	12.12	10.51	-13%
Jul	11.92	10.59	-11%
Aug	11.81	11.15	-6%
Sep	11.75	11.36	-3%
Oct	11.62	11.39	-2%
Nov	11.17	11.47	3%
Dec	10.78	11.65	8%
Exchange Rate	5.33	Local Currency/US \$	
Date of Quote		MM/DD/YYYY	

Data Source: State Statistics Committee of Ukraine

Ukraine Pork PSD Table, 1000 MT CWE, 1000 HEAD

Country Ukraine

Commodity Meat, Swine

	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01.2002		01.2003		01.2004
Slaughter (Reference)	6686	6686	7504	9534	8000	6500
Beginning Stocks	22	22	22	22	22	22
Production	599	599	640	765	650	530
Intra EC Imports	0	0	0	0	0	0
Total Imports	2	2	2	7	5	8
TOTAL Imports	2	2	2	7	5	8
TOTAL SUPPLY	623	623	664	794	677	560
Intra EC Exports	0	0	0	0	0	0
Total Exports	1	1	10	12	15	8
TOTAL Exports	1	1	10	12	15	8
Human Dom. Consumption	600	600	632	760	640	530
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	600	600	632	760	640	530
Ending Stocks	22	22	22	22	22	22
TOTAL DISTRIBUTION	623	623	664	794	677	560
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Ukraine Swine PSD Table, 1000 HEAD

Country Ukraine
Commodity Animal Numbers, Swine

	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01.2002		01.2003		01.2004
TOTAL Beginning Stocks	8317	8317	9204	9204	9500	7470
Sow Beginning Stocks	603	603	633	633	620	555
Production (Pig Crop)	8509	8509	8800	8800	8700	7770
Intra EC Imports	0	0	0	0	0	0
Total Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	16826	16826	18004	18004	18200	15240
Intra EC Exports	0	0	0	0	0	0
Total Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	6686	6686	7504	9534	8000	6500
Total Slaughter	6686	6686	7504	9534	8000	6500
Loss	936	936	1000	1000	900	900
Ending Inventories	9204	9204	9500	7470	9300	7840
TOTAL DISTRIBUTION	16826	16826	18004	18004	18200	15240
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Ukraine, Pork Export Trade Matrix

Country	Ukraine		
Commodity	Meat, Swine		
Time Period		Units:	1 MT
Exports for:	2002		2003*
U.S.	0	U.S.	0
Others		Others	
Russian Federation	1069	Russian Federation	11740
Turkey	1		
Total for Others	1070		11740
Others not Listed	1		0
Grand Total	1071		11740

Data Source: State Statistics Committee of Ukraine

*Preliminary Data

Ukraine, Pork Import Trade Matrix

Country	Ukraine		
Commodity	Meat, Swine		
Time Period		Units:	1 MT
Imports for:	2002		2003*
U.S.	2	U.S.	239
Others		Others	
Austria	132	Austria	164
Belgium	50	Belgium	153
Denmark	117	Denmark	64
France	220	France	596
Germany	129	Germany	422
Hungary	20	Hungary	131
Netherlands	10	Netherlands	0
Poland	554	Poland	5739
Total for Others	1232		7269
Others not Listed	22		37
Grand Total	1256		7545

Source: State Statistics Committee of Ukraine

*Preliminary Data

Average Monthly Beef Retail Prices in Ukraine

Country	Ukraine		
Commodity	Meat, Swine		
Prices in	UAH	per uom	1 kilogram
Year	2002	2003	% Change
Jan	15.85	13.08	-17%
Feb	15.49	12.78	-17%
Mar	15.23	12.65	-17%
Apr	15.18	12.57	-17%
May	15.18	12.56	-17%
Jun	15.04	12.49	-17%
Jul	14.71	12.82	-13%
Aug	14.60	14.27	-2%
Sep	14.55	14.84	2%
Oct	14.33	14.91	4%
Nov	13.63	14.84	9%
Dec	13.10	14.78	13%
Exchange Rate	5.33	Local Currency/US \$	
Date of Quote		MM/DD/YYYY	

Source: State Statistics Committee of Ukraine